GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5028
ANSWERED ON:21.12.2000
EXTRA PERKS TO ICAI OFFICERS
BOLLA BULLI RAMAIAH;M. JAGANNATH

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Institute of Chartered Accountants of India follows the Central Government scales of pay and allowances;

(b) if so, whether tax free perks like conveyance charges and free petrol are also paid to the Senior Officers without production of voucher;

(c) if so, the reasons therefor; and

(d) the number of Audit objections received on the subject during the last three years and the action taken in this regard?

Answer

THE MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITLEY)

(a) The Institute of Chartered Accountants of India (ICAI), which is a statutorily autonomous body established under the Chartered Accountants Act, 1949, has informed that the Institute is statutorily empowered to appoint its officers and staff and also to fix their salaries, fees, allowances and their conditions of service.
ICAI has informed that, while prescribing and revising the pay scales and other allowances payable to its employees, the Institute has generally taken into account the pay scales prescribed by the Central Government for its employees and also by other reputed and leading educational bodies such as UGC etc. from time to time.

(b), (c) The Institute has reported that it does not allow any tax free perks like conveyance and free petrol to Senior Officers without production of voucher/declaration for having incurred the expenditure/receipt. The Institute has further reported that it makes the following payments to its employees which are reportedly exempt under the Income Tax Act and rules made thereunder:

(1) Reimbursement for purchase of magazines/periodicals etc.

(2) Allowance paid for encouraging/pursuing Academic Research and Professional activities.

(3) Allowance paid for purchase or maintenance of uniform for wear during the performance of duties in office.

(4) Children Education Allowance upto a maximum of Rs. 100/- per month, per child and

(5) Amount paid as conveyance allowance (transport subsidy in the Institute) to meet the expenditure on conveyance for performance of duties of an Office. The Institute has further stated that senior officers of the Institute are paid an additional amount ofRs. 2000/- per month towards maintenance of vehicle. According to the Institute unlike in the Government, its senior officers are not provided with office vehicles at any level.

(d) The ICAI has informed that no audit objections have been received on the subject in the last three years.